

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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PACIFIC CONNECTIONS OF CALIFORNIA, INC.

08 CV 6627

Plaintiff,

-against-

NOTICE OF MOTION

WILSONS LEATHER HOLDINGS INC.,
PREVU INCORPORATED

Defendants,

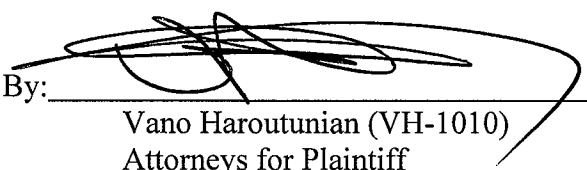
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PLEASE TAKE NOTICE that upon the attached Declaration of Vano Haroutunian, sworn to on August 27, 2008 and upon the all the pleadings and proceedings heretofore had herein, plaintiff will move this Court, before the Honorable Paul A. Crotty, U.S.D.J., United States Courthouse, Room 20C, 500 Pearl Street, New York, New York 10007 on September ____ 2008, at 9:30 o'clock or as soon thereafter as counsel can be heard pursuant to Rule 55, of the Federal Rules of Civil Procedure for an Order of Default against defendants WILSONS LEATHER HOLDINGS INC., and PREVU INCORPORATED. for failure to file an appearance or answer, or otherwise plead to plaintiff's complaint.

Dated: New York, New York
August 27, 2008

BALLON STOLL BADER & NADLER, P.C.

By: _____


Vano Haroutunian (VH-1010)
Attorneys for Plaintiff
729 Seventh Ave – 17th Fl.
New York, New York 10019
(212) 575-7900

To: Jenner & Block, LLP
Susan J. Kohlmann, Esq
919 Third Avenue, 37th Floor
New York, NY 10022

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

PACIFIC CONNECTIONS OF CALIFORNIA, INC.

08 CV 6627

Plaintiff,

-against-

**DECLARATION FOR
JUDGMENT BY DEFAULT**

WILSONS LEATHER HOLDINGS INC.,
PREVU INCORPORATED

Defendants,

-----X

VANO I. HAROUTUNIAN, an attorney duly admitted to practice before the Courts of the States of New York and New Jersey, affirms, declares, and certifies, pursuant to **28 U.S.C §1746**, under penalty of perjury:

1. I am a member of the bar of this Court and a partner with the firm of Ballon Stoll Bader & Nadler, P.C., attorneys for Plaintiff in the above entitled action. As such, I am familiar with all of the facts and circumstances in this action.

2. I make this declaration pursuant to Rule 10, of the Civil Rules for the Southern District of New York, in support of Plaintiff's application for the entry of a default judgment against WILSONS LEATHER HOLDINGS INC. ("WLH") and PREVU INCORPORATED ("PreVu") (formerly known as Wilsons The Leather Experts Inc. ("WLE")) (collectively "defendants").

3. This is a Civil Action to recover money damages for shoe rack fixtures (the "racks") purchased by PACIFIC CONNECTIONS OF CALIFORNIA ("PCI") in the amount of

\$372,143.95 as part of a Joint Venture Agreement ("Agreement") that was entered into with defendants.

4. The Agreement aimed at helping defendants rebrand its image and turn around its slumping sales.

5. In or about September 2006, defendants began to breach various parts of the Agreement. Thereafter, the parties reached a Settlement Agreement on October 19, 2006, settling some of their disagreements. However, the parties did not address the issue of the racks and in no way did ownership of the racks pass to defendants.

6. PCI made repetitive demands for the payment of the racks, which defendants have ignored as of this date.

7. PCI is seeking the reimbursement of the amount advanced to defendants in the amount of \$372,143.95 together with interest from August 31, 2006 amounting to \$410,835.94 as of August 20, 2008, plus costs and disbursements of this action in the amount of \$350.00, amounting in all to \$411,185.94.

8. This action was commenced on July 25, 2008 by the filing of a copy of the Summons and Complaint. Service was performed on STACY A. KRUSE, defendants' Chief Financial Officer by FedEx overnight delivery on July 30, 2008. Annexed hereto as **Exhibit A** is a copy of the affirmation of service.

9. The defendants have not answered the complaint and the time to do so has expired, and the defendants have expressly affirmed through their counsel that they will not defend this lawsuit. Annexed hereto as **Exhibit B** is defendants' counsel's affirmation in support of her motion to withdraw as counsel of record. Also annexed as **Exhibit C** is the Clerk's certification that defendants' have failed to file an answer to plaintiff's complaint.

10. Subject Matter Jurisdiction is based on diversity, **28 U.S.C. § 1332**. Diversity exists because plaintiff is a Delaware corporation with its primary place of business in New York, defendants are Minnesota corporations with their primary place of business in Minnesota, and the matter in controversy exceeds the sum or value of \$75,000, exclusive of interest and costs.

11. The Court has personal jurisdiction over the defendants because the negotiations of the term of the Agreement took place in the State of New York. Employees of PCI and the defendants worked closely together, met on numerous occasions in New York, and exchanged various phone calls and emails from New York in connection with the purchase of the racks, subject if the within lawsuit. Further, the time to answer plaintiff's complaint having expired and defendants having failed to file any responsive pleadings and oppose the Court's personal jurisdiction, the defendants have thus waived their right to do so.

12. In addition, defendants notified the Court, copying plaintiff's counsel, by letter dated August 12, 2008 that they do not intend to oppose plaintiff's Motion for a Preliminary Injunction and Attachment (the "Motion"). Annexed hereto as **Exhibit D** is defendants' counsel's letter of August 12, 2008.

13. Both defendants in this action, WLH and PreVu, are corporations and thus are neither infants nor incompetent parties.

14. PCI, by its attorneys, moved for an Order of Attachment and Preliminary Injunction on July 29, 2008, and the Court scheduled a hearing for August 6, 2008.

15. The defendants requested an extension to respond to the Motion, which PCI, by its attorneys has consented to, contingent upon defendants' counsel's representation that defendants' CFO would confirm, in writing, that defendants will preserve the sum of

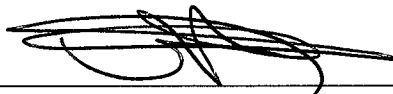
\$372,143.95 to be disbursed to PCI should Plaintiff prevail. Yet, defendants failed to oppose the Motion and in fact specifically wrote to the Court on August 12, 2008 to inform it that the defendants would not oppose the Motion.

16. As is set forth above, this action seeks judgment for a liquidated amount of \$372,143.95 together with interest from August 31, 2006 amounting to \$410,835.94 (printout detailing computation attached hereto as **Exhibit E**) as of August 20, 2008, plus costs and disbursements of this action in the amount of \$350.00, amounting in all to \$411,185.94 all of which is justly due and owing, and no part of which has been paid.

17. The Disbursements sought to be taxed have been made in this action or will necessarily be made or incurred herein.

WHEREFORE, Plaintiff requests the entry of a Default Judgment against Defendants.

Dated: New York, New York
August 27, 2008



Vano I. Haroutunian (VH-1010)

EXHIBIT A

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
PACIFIC CONNECTIONS OF CALIFORNIA, INC.
Plaintiff,

Docket No. 08 Civ. 6627 (PAC)

-against-

WILSONS LEATHER HOLDINGS INC.,
PREVU INCORPORATED,
Defendants.
-----X

AFFIRMATION OF SERVICE

DANIELE DERMESROPIAN hereby certifies as follows:

I am an attorney-at-law of the State of New York. I hereby certify that on July 30, 2008, I caused a copy of Plaintiff's Order to Show Cause for an Order of Attachment and for Preliminary Injunction, Plaintiff's Application for an Order of Attachment and for Preliminary Injunction, the Civil Cover Sheet, the Summons and the Complaint, Plaintiff's Memorandum of Law in Support of its Motion, the Declaration of Martin Terzian and the Declaration of Vano Haroutunian, Esq., to be served on the following Defendants by FEDEX OVERNIGHT DELIVERY:

Stacy A. Kruse
Wilsons Leather Holdings Inc.
7401 Boone Ave. N.
Brooklyn Park, MN 55428

Stacy A. Kruse
PreVu Incorporated
7401 Boone Ave. N.
Brooklyn Park, MN 55428

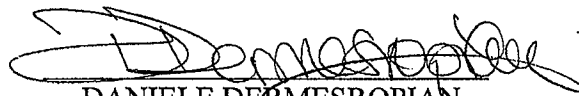

DANIELE DERMESROPIAN

EXHIBIT B

Susan Kohlmann (SK 1855)
JENNER & BLOCK LLP
919 Third Avenue, 37th Floor
New York, NY 10022
Tel: (212) 891-1600
Fax: (212) 891-1699
Attorney for Wilsons Leather Holdings, Inc., Prevu Incorporated

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

Pacific Connections of California, Inc.

Plaintiff,

v.

Wilson's Leather Holdings, Inc., Prevu
Incorporated,

Defendants.

No. 08 Civ. 6627

AFFIRMATION OF SUSAN KOHLMANN

Susan Kohlmann, an attorney admitted to practice before the courts of the State of New York and the United States District Court for the Southern District of New York, affirms under the penalty of perjury as follows:

1. I am submitting this affidavit in support of my Motion to Withdraw as counsel for defendants Wilson's Leather Holdings, Inc. and Prevu Incorporated in the above-captioned matter ("defendants").
2. I have been advised by the defendants in the above-captioned matter that they do not intend to defend this lawsuit and, accordingly, no longer require my services as counsel.

Dated: August 19, 2008

s/

Susan Kohlmann (SK 1855)

EXHIBIT C

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
PACIFIC CONNECTIONS OF CALIFORNIA, INC.

08 CV 6627

Plaintiff,

-against-

CLERK'S CERTIFICATE

WILSONS LEATHER HOLDINGS INC.,
PREVU INCORPORATED

Defendants,
-----X

I, J. MICHAEL MCMAHON, Clerk of the United States District Court for the Southern District of New York, do hereby certify that this action commenced on July 25, 2008 with the filing of a summons and complaint, a copy of the summons and complaint was served on each of the defendants on July 30, 2008,

(a) By delivering a true copy of the original documents to
WILSONS LEATHER HOLDINGS INC. and leaving same with STACY A.
KRUSE chief financial officer of WILSONS LEATHER HOLDINGS INC.

(b) By delivering a true copy of the original documents to
PREVU INCORPORATED and leaving same with STACY A. KRUSE chief
financial officer of PREVU INCORPORATED.

Proof of such service was filed on August 4, 2008.

I further certify that the docket entries indicate that the defendants have not filed answers and that the defendants were represented by counsel which later withdrew on August 19, 2008 because the defendants do not intend to defend this lawsuit. The default of the defendants is hereby noted.

Dated: New York, New York
August 27, 2008

J. MICHAEL MCMAHON
Clerk of the Court

By: 
Deputy Clerk

EXHIBIT D

JENNER & BLOCK

August 12, 2008

BY EMAIL & FACSIMILE

The Honorable Paul A. Crotty
United States District Judge
United States District Court
Southern District of New York
500 Pearl Street, Chambers 20-C
New York, New York 10007

Jenner & Block LLP
919 Third Avenue
37th Floor
New York, NY 10022
Tel 212-891-1600
www.jenner.com

Chicago
New York
Washington, DC

Katya Jestin
Tel 212 891-1685
Fax 212 891-1699
kjestin@jenner.com

Re: *Pacific Connections of California, Inc. v. Wilsons Leather Holdings, Inc.,
Prevu Incorporated, 08 Civ 6627 (PAC)*

Dear Judge Crotty:

We write in reference to plaintiff's Motion for a Preliminary Injunction and Attachment filed on July 29, 2008. On behalf of the defendants in the above-referenced matter, we respectfully advise the Court that we will not be filing papers in opposition to this motion.

Respectfully Submitted,



Katya Jestin

cc: Vano Haroutunian, Esq. (Attorney for Plaintiff) (via email and facsimile)

EXHIBIT E

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

PACIFIC CONNECTIONS OF CALIFORNIA, INC.

08 CV 6627

Plaintiff,

-against-

**STATEMENT
OF DAMAGES**

WILSONS LEATHER HOLDINGS INC.,
PREVU INCORPORATED

Defendants,

-----X

Principal Amount sued for..... \$372,143.95

Interest from August 31, 2006 through August 20, 2008..... \$38,691.99

Costs and Disbursements

Clerk's Index Fee..... \$350.00

Process Server fee for service..... \$ 0.00

Statutory fee..... \$ 0.00

Total (as of August 20, 2008).....